Steps to boosts textile exports

*571. SHRI EKANATH K. THAKUR: Will the Minister of TEXTILES be pleased to state:-

(a) whether it is a fact that India's textile and clothing exports fell by 7.6 per cent to $ 1 07 billion on January, 2005

(b) if so, the reasons therefor; and

(c) the steps Government propose to take to boost the textile exports in the light of termination of export quotas?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA) (a) As per Directorate General of Commerce Intelligence & Statistics (DGCI&S) data, textile and clothing exports during the month of January 2005 have amounted to US$ 1.07 billion as compared to export of US$ 1.16 billion during the corresponding month of 2004, showing a decline of 7.6%.

(b) The main reason for decline is increased competition from other low cost suppliers, mainly China, affecting prices.

(c) Government has been taking a number of steps from time to time of strengthen domestic textile industry for meeting the growing global competition. Some of the important initiatives taken are:

(i) The Technology Upgradation Fund Scheme (TUFS) has been made operational from 1-4-1999 to facilitate the modernisation and upgradation of the sector.

(ii) To improve the productivity and quality of cotton, Government has launched Technology Mission on Cotton (TMC). The mission comprises four mini-missions, which are being jointly implemented by the Ministry of Agriculture and Ministry of Textiles. One of the important ingredients of the Mission is to improve cotton processing facilities by upgrading/modernizing the existing ginning and pressing facilities and setting up of new market yards/ improvement of existing market yards.

(iii) The Government has launched a centrally sponsored scheme titled "Apparel Park for Export Scheme" for imparting focused thrust

for setting up of apparel manufacturing units of international standards at potential growth centres to give fillip to exports.

(iv) For upgrading infrastructure facilities at important textile centres, a scheme titled "Textile Centre Infrastructure Development Scheme" (TCIDS) has been launched.

(v) The fiscal duty structure has been generally rationalised to achieve growth and maximum value addition within the country. Except for mandatory excise duty on man-made filament yarns and man-made staple fibres, the whole value addition chain has been given excise exemption option.

(vi) The import of specified textiles and garment machinery items has been allowed at concessional rate of customs duty to encourage investments and to make our textile products competitive in the global market. The cost of machinery has also been reduced through fiscal policy measures.

(vii) Duty-free imports of 31 itmes of trimmings and embellishment items are allowed to the garment exporters, upto 3% of their actual export performance during the previous year.

(viii) National Institute for Fashion Technology (NIFT), its seven branches and Apparel Training & Design Centres (ATDCs) are running various courses/programmes to meet skilled manpower requirements of textile industry especially apparel in the field of design, merchandising and marketing.

(ix) Facilities by way of eco-testing laboratories have been created to enable exporters to get the garments/textiles pre-tested for conforming to the requirements of importing countries.

(x) The Government has de-reserved the readymade garments, hosiery and knitwear from the SSI sector.